Amendments to the Claims

The following listing of claims replaces all prior listings and versions of claims in this application.

1.   (Previously Presented) A system for administering a payout option of an individual annuity contract of a contract owner, wherein said individual annuity contract is a variable annuity contract or a fixed annuity contract, said system comprising:

a memory including data relating to said individual annuity contract stored therein, said data including an associated payout option which permits the contract owner of said individual annuity contract to request and withdraw an amount of principal from the annuity during a payout phase of the individual annuity contract; and

a processor operatively coupled to said memory configured to read the associated payout option, to provide that option to a system user, and to calculate and issue a payout in response to a request from said contract owner for a withdrawal of the amount of principal from said annuity.

2.   (Original) The system of claim 1 wherein the amount withdrawn is a portion of the entire principal.

3.   (Original) The system of claim 1 wherein the amount withdrawn is the entire principal.

4.   (Original)   The system of claim 1 wherein said processor is further configured to calculate a withdrawal charge and deduct said withdrawal charge from said payout.

5.   (Previously Presented) A method of administering a payout option of an individual annuity contract of a contract owner, wherein said individual annuity contract is a variable annuity contract or a fixed annuity contract, said method comprising the steps:

storing data relating to said individual annuity contract in a memory, said data including an associated payout option which permits the contract owner of said individual annuity contract to request and withdraw an amount of principal from the annuity during a payout phase of the individual annuity contract;

receiving a request from said contract owner for a withdrawal of the amount of principal from said annuity at a processor coupled to the memory;

using the processor to calculate a payout of principal to said contract owner in response to said request; and

issuing said payout of principal to said contract owner.

6. (Original) The method of claim 5 wherein the amount withdrawn is a portion of the entire principal.

7. (Original) The method of claim 5 wherein the amount withdrawn is the entire principal.

8. (Original) The method of claim 5 comprising the further steps of calculating a withdrawal charge and deducting said withdrawal charge from said payout.

9. (Currently Amended) A system for administering an annuity contract comprising:

a database provides storage to information related to the annuity contract, the information including a payout option and an annuitization date, wherein a ~~the~~ computer is configured to

determine whether the contract has annuitized based on the annuitization date;

access the database to determine the payout option;

calculates an annuity payment based on the payout option;

<u>determine entry into a payout phase after the annuitization date, wherein</u> the payout option is an option where payments are made to a predetermined age[[,]]<u>:</u>

calculate one of a partial withdrawal amount and a surrender amount based on information in the database; and

generates an output corresponding to the partial withdrawal amount or the ~~current~~ <u>surrender</u> amount.

10.   (Previously Presented) The system of Claim 9 wherein the database is further configured to store an amount annuitized, an age of annuitant, an annuity factor, a unit value and an assumed investment return (AIR) and the computer is configured to check the database to determine the number of units that are payable in an annuity payment, the number of units paid being calculated using the equation:

$$\text{Units Paid} = (\text{Amount Annuitized}) \quad \text{x} \quad \frac{\text{Annuity Factor}}{\text{Unit Value}} \quad ; \text{and}$$

    calculate the annuity payment based on the units paid.

11.   (Previously Presented) The system of Claim 10 wherein the computer is configured to calculate the annuity factor using the equation:

$$\frac{1}{((1-v^n)/d)}$$

    where $v = 1/(1 + I_0)$,
        $I_0 = \text{AIR}$,
        $d = I_0 v$, and
        $n = (\text{the predetermined age}) - (\text{the age of annuitant on the annuitization date})$

12.   (Previously Presented) The system of Claim 9 wherein the database is configured to store an amount annuitized, an annuity factor, a unit value, an assumed investment return (AIR) ,and the computer is configured to check the database to determine a total number of payments for the contract determine the number of units that are payable in an annuity payment, the number of units paid being calculated using the equation:

$$\text{Units Paid} = \frac{((\text{Amount Annuitized})/\text{Total Number of Payments})}{\text{Unit Value}} \quad \text{and;}$$

    calculate the annuity payment based on the units paid.

13. (Previously Presented) The system of Claim 9 wherein the database stores an annuity principal, annual payments, conditions for withdrawal, an age of annuitant, and remaining payments and said computer is configured to check the database to

      receive a request for a partial withdrawal of the annuity principal;

      determine whether the request meets the conditions for withdrawal;

      determine whether the contract was annuitized during a surrender charge period;

      determine a percentage of the annual payments to be withdrawn; and

      calculate a present value of a percentage of the remaining payments using the equation:

$$\text{Present value} = (\text{percentage of annual payments to be withdrawn}) \times (\text{annual payment}) \times \frac{1}{((1 - v^n)/d)}$$

     where $v = 1/(1 + I_0)$,
               $I_0 = \text{AIR}$,
               $d = I_0 v$, and
               $n = (\text{predetermined age}) - (\text{the age of annuitant on the annuitization date})$.

14. (Previously Presented) The system of Claim 13 wherein the processor

      the processor provides an amount waived and a percentage (%) withdrawn; and

      the processor calculates a reduction in the present value using the equation:

$$\text{Reduction} = (\text{Amount waived}) \times (\% \text{ withdrawn}) \times \frac{\left(\begin{array}{l} \text{number of payments not yet paid until a surrender} \\ \text{charge of the contract in a deferred phase would have} \\ \text{expired} \end{array} \right)}{\left(\begin{array}{l} \text{Total number of payments to be paid at time of} \\ \text{annuitization until the surrender charge of the contract in} \\ \text{the deferred phase would have expired} \end{array} \right)}$$

15. (Previously Presented) The system of Claim 14 wherein the step of calculating the partial withdrawal amount includes subtracting the reduction from the present value.

16. (Previously Presented) The system of Claim 9 further comprising:

      the database stores an age of annuitant, annual payment and a surrender charge period, and said computer is configured to check the database to;

      determine whether a contractowner is requesting to surrender the annuity contract;

determine whether the annuity contract was annuitized during the surrender charge period; and

calculate a present value of a percentage of the remaining payments using the equation:

$$\text{Present value} = (\text{annual payment}) \times \frac{1}{((1-v^n)/d)}$$

where $v = 1/(1 + I_0)$,
$\quad I_0 = \text{AIR}$,
$\quad d = I_0 v$, and
$\quad n = (\text{predetermined age}) - (\text{the age of annuitant on the annuitization date})$.

17.   (Previously Presented) The system of Claim 16 wherein the computer is configured to provide an amount waived and a percentage (%) withdrawn, and to calculate a reduction in the present value using the equation:

$$\text{Reduction} = \underline{(\text{Amount waived}) \times (\% \text{ withdrawn})} \times \frac{\left(\begin{array}{l}\text{number of payments not yet paid until a surrender} \\ \text{charge of the contract in a deferred phase would have} \\ \text{expired}\end{array}\right)}{\left(\begin{array}{l}\text{Total number of payments to be paid at time of} \\ \text{annuitization until the surrender charge of the contract in} \\ \text{the deferred phase would have expired}\end{array}\right)}.$$

18.   (Previously Presented) The system of Claim 17 wherein the computer is configured to calculate the surrender amount by subtracting the reduction from the present value.

19.   (Previously Presented) The system of Claim 9 wherein the computer is configured to generate a signal signaling production of a check for one of the partial withdrawal amount and the surrender amount.

20.   (Currently Amended) A system for administering an annuity contract comprising the instructions for:

a database provides store information, including an annuitization date and an assumed investment return (AIR); and

a computer is configured to check the database to:

determine whether the contract has annuitized based on the annuitization date;

access the database to determine the payout option;

determine entry into a payout phase after the annuitization date, wherein the payout option is an option where payments are made to a predetermined age[[,]];

calculate ~~calculates~~ a reserve amount based on information in the database; and

the processor generates an output corresponding to the reserve amount.

21.   (Previously Presented) The system of Claim 20 wherein the computer is further configured to determine a payment and a number of payments remaining on the contract; and to calculate a reserve amount, wherein the reserve amount is calculated using the equation:

$$\text{Reserve} = \text{Payment} \ \ x \ \ \frac{1}{((1-v^x)/d)}$$

where $v = 1/(1 + I_0)$,
   $I_0 = AIR$,
   $d = I_0 v$, and
   $x =$ number of payments remaining on the contract.

22.   (Previously Presented) The system of Claim 20 wherein the computer is further configured to discount the reserve at an interest rate equal to the AIR.

23.   (Previously Presented) The system of Claim 22 wherein the computer is further configured to generate a signal signaling production of a check for the reserve amount.

24.   (Currently Amended) A method of administering an annuity contract comprising:

providing a database to store information related to the annuity contract, the information including a payout option and an annuitization date;

determining whether the contract has annuitized based on the annuitization date;

accessing the database to determine the payout option;

calculating an annuity payment based on the payout option;

determining entry into a payout phase after the annuitization date, wherein the payout option is an option where payments are made to a predetermined age[[,]];

calculating one of a partial withdrawal amount and a surrender amount based on information in the database; and

generating an output corresponding to the partial withdrawal amount or the ~~current surrender~~ amount.

25.   (Previously Presented) The method of claim 24 further comprising

storing an amount annuitized, an age of annuitant, an annuity factor, a unit value and an assumed investment return (AIR) in the database;

determining the number of units that are payable in an annuity payment, the number of units paid being calculated using the equation:

$$\text{Units Paid} = (\text{Amount Annuitized}) \quad \text{x} \quad \frac{\text{Annuity Factor}}{\text{Unit Value}} \quad ; \text{ and}$$

calculating the annuity payment based on the units paid.

26.   (Previously Presented) The method of claim 25 further comprising calculating the annuity factor using the equation:

$$\frac{1}{((1-v^n)/d)}$$

where $v = 1/(1 + I_0)$,
         $I_0 = \text{AIR}$,
         $d = I_0 v$, and
         $n = (\text{the predetermined age}) - (\text{the age of annuitant on the annuitization date})$

27.   (Previously Presented) The method of claim 24 further comprising

storing an amount annuitized, an annuity factor, a unit value, an assumed investment return (AIR) in the database;

determining a total number of payments for the contract;

determining the number of units that are payable in an annuity payment, the number of units paid being calculated using the equation:

$$\text{Units Paid} = \frac{(\text{Amount Annuitized})/\text{Total Number of Payments}}{\text{Unit Value}} \quad \text{and;}$$

calculating the annuity payment based on the units paid.

28.   (Previously Presented) The method of claim 24 further comprising;

storing an annuity principal, annual payments, conditions for withdrawal, an age of annuitant, and remaining payments in the database;

receiving a request for a partial withdrawal of the annuity principal;

determining whether the request meets the conditions for withdrawal;

determining whether the contract was annuitized during a surrender charge period;

determining a percentage of the annual payments to be withdrawn; and

calculating a present value of a percentage of the remaining payments using the equation:

$$\text{Present value} = (\text{percentage of annual payments to be withdrawn}) \times (\text{annual payment}) \times \frac{1}{((1 - v^n)/d)}$$

where $v = 1/(1 + I_0)$,
          $I_0 = \text{AIR}$,
          $d = I_0 v$, and
          $n = (\text{predetermined age}) - (\text{the age of annuitant on the annuitization date}).$

29.   (Previously Presented) The method of claim 28 further comprising:

providing an amount waived and a percentage (%) withdrawn; and

calculating a reduction in the present value using the equation:

$$\text{Reduction} = \frac{(\text{Amount waived}) \times (\% \text{ withdrawn}) \times \left(\begin{array}{l}\text{number of payments not yet paid until a surrender} \\ \text{charge of the contract in a deferred phase would have} \\ \text{expired}\end{array}\right)}{\left(\begin{array}{l}\text{Total number of payments to be paid at time of} \\ \text{annuitization until the surrender charge of the contract in} \\ \text{the deferred phase would have expired}\end{array}\right)}$$

30.   (Previously Presented) The method of claim 29 wherein the step of calculating the partial withdrawal amount includes subtracting the reduction from the present value.

31.   (Previously Presented) The method of claim 24 further comprising:

storing an age of annuitant, annual payment and a surrender charge period in the database;

determining whether a contractowner is requesting to surrender the annuity contract;

determining whether the annuity contract was annuitized during the surrender charge period; and

calculating a present value of a percentage of the remaining payments using the equation:

$$\text{Present value} = (\text{annual payment}) \times \frac{1}{((1-v^n)/d)}$$

where $v = 1/(1 + I_0)$,
$I_0 = \text{AIR}$,
$d = I_0 v$, and
$n = (\text{predetermined age}) - (\text{the age of annuitant on the annuitization date}).$

32.   (Previously Presented) The method of claim 31 further comprising:

providing an amount waived and a percentage (%) withdrawn; and

calculating a reduction in the present value using the equation:

$$\text{Reduction} = \underline{(\text{Amount waived}) \times (\% \text{ withdrawn}) \times} \frac{\left(\begin{array}{l}\text{number of payments not yet paid until a surrender} \\ \text{charge of the contract in a deferred phase would have} \\ \text{expired}\end{array}\right)}{\left(\begin{array}{l}\text{Total number of payments to be paid at time of} \\ \text{annuitization until the surrender charge of the contract in} \\ \text{the deferred phase would have expired}\end{array}\right)}$$

33.   (Previously Presented) The method of claim 32 wherein the step of calculating the surrender amount includes subtracting the reduction from the present value.

34.   (Previously Presented) The method of claim 24 further comprising signaling production of a check for one of the partial withdrawal amount and the surrender amount.

35.   (Currently Amended) A method of administering an annuity contract comprising:

providing a database to store information, including an annuitization date and an assumed investment return (AIR);

determining whether the contract has annuitized based on the annuitization date;

accessing the database to determine the payout option;

determining entry into a payout phase after the annuitization date, wherein the payout option is an option where payments are made to a predetermined age[[,]];

calculating a reserve amount based on information in the database; and

generating an output corresponding to the reserve amount.

36.   (Previously Presented) The method of claim 35 further comprising:

determining a payment and a number of payments remaining on the contract; and

calculating a reserve amount, wherein the reserve amount is calculated using the equation:

$$\text{Reserve} = \text{Payment} \quad \times \quad \frac{1}{((1-v^x)/d)}$$

where $v = 1/(1 + I_0)$,
$I_0 = \text{AIR}$,

$d = I_0v$, and

x = number of payments remaining on the contract.

37.   (Previously Presented) The method of claim 36 further comprising discounting the reserve at an interest rate equal to the AIR.

38.   (Previously Presented) The method of claim 35 further comprising signaling production of a check for the reserve amount.